

FISCAL NOTE

Bill #: HB0321

Title: Revise inspection requirements for passenger elevators and escalators

Primary

Sponsor: Daniel Fuchs

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
State Special Revenue	\$67,437	\$52,437
Revenue:		
State Special Revenue	\$60,549	\$60,549
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. The Building Codes Division of the Department of Commerce currently inspects all passenger elevators, escalators, moving walks, wheelchair lifts and stairway chair lifts in buildings that serve the public. HB321 adds dumbwaiters and freight handling units to the units that are required to be inspected. Inspections are required whenever units are operated by an employee or the public.
2. The department estimates that an additional 1,000 freight handling units will be added to the current workload that must be inspected annually. The additional inspections increase the workload by more than 80%.
3. An additional 1.00 FTE, grade 14 elevator inspector, will be required to complete the anticipated increase annual elevator inspections. An additional 0.50 FTE, grade 8 administrative support, position is required

(continued)

to complete the increased clerical work. The estimated personal service costs for the 1.50 FTE is \$42,000 in FY 2000 and FY 2001. The department does not know exactly how many freight elevators exist in Montana. In the event the estimate is too low, an additional elevator inspector would be needed for every additional 1,000 units added to the workload..

4. Additional operating expenses of \$10,437 would be incurred in both FY 2000 and FY 2001. One additional vehicle will be required in FY 2000 for the new elevator inspector at an estimated cost of \$15,000.
5. Sufficient revenues will be generated by the additional units to offset the estimated expenditures, provided the fees created for inspection of the additional units are approved by the voters of the state in accordance with CI-75. Companion HB322 refers the additional fees to the voters.

FISCAL IMPACT:

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
FTE	1.5	1.5
<u>Expenditures:</u>		
Personal Services	\$42,000	\$42,000
Operating Expenses	\$10,437	\$10,437
Equipment	<u>\$15,000</u>	<u></u>
TOTAL	\$67,437	\$52,437
<u>Funding:</u>		
State Special Revenue (02)	\$67,437	\$52,437
<u>Revenues:</u>		
State Special Revenue (02)	\$60,549	\$60,549
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
State Special Revenue (02)	(\$6,888)	\$8,112

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Any local governments that have freight elevators would be required to pay the annual inspection fees and any costs associated with upgrading non-complying units.

LONG-RANGE IMPACTS:

The elevator code (ANSI A17.1) establishes different requirements for passenger and freight elevators. Existing freight units may be required to upgrade in order to be certified to operate. Freight elevator related injuries and deaths may be reduced as a result of upgrading of non-complying freight elevators.